

**List of Supporting Documents—  
Corvallis School District Impact Fee Proposal**

1. Florence-Carlton School District Survey Research Report – Executive Summary July 9 2003.
2. Sub-division projects in the Corvallis School District. Planning Department printout as of Dec 2008 plus cover and summary e-mail (2-12-08) from John Lavey.
3. Impact study review form. Created by the Impact Fee Advisory Committee, Nov 14, 2007.
4. Impact Fee Advisory Committee Consolidated Review Comments for the CSD impact fee study. Jan 1, 2008.
5. TischlerBise (TB) letter (by Chris Cullinan) re: Follow up Questions. Mar 10, 2008.
6. TB letter (by Chris Cullinan) re: Revised Impact Fee Report Mar 10, 2008.
7. TB letter (by Chris Cullinan) re: Follow Up Questions, Mar 18, 2008.
8. Comparison of Item 4 above with TB responses (items 5 & 7). Prepared by Impact Fee Advisory Committee. March 2008.
9. Letter from Daniel Sybrant, Superintendent, CSD cover e-mail & questions submitted by residents Horat and Curtis. Feb 27, 2008.
10. Sybrant letter to BCC recommending \$6822 impact fee (first vote of School Board). Mar 17, 2008.
11. Sybrant letter to Impact Fee Advisory Committee/J Meakin. Supplemental information for Impact Fee study. May 21 2008.
12. Sybrant letter Feb 18, 2008 to BCC. Result of School Board vote Feb 17, 2009 proposing \$4,000 impact fee.
13. Handouts/mailler created by Impact Fee Advisory Committee for April 23, 2009 public meeting and comment.
14. CSD IMPACT FEE STUDY "IMPACT FEES TO FUND GROWTH RELATED CAPITAL IMPROVEMENTS" (AMENDED MARCH 10, 2008)

**FLORENCE-CARLTON SCHOOL DISTRICT  
SURVEY RESEARCH REPORT  
EXECUTIVE SUMMARY  
JULY 9, 2003**

The following survey research report provides some valuable information regarding the public's perception concerning Florence-Carlton School District and several possible bond measures. This survey should assist the school district in its planning and decision-making process in regard to school building improvements and new construction.

Throughout this analysis, Northwest Polling highlights key results of the survey research report. The actual report is over 100 pages in length with multiple tables designed to assist the client in understanding and analyzing respondents' views.

In this executive summary, Northwest Polling identifies "key" demographics for many of the questions. Key demographics are those subgroups that respond at a higher percentage rate than the total sample for any given response. The key demographic groups for any given opinion are not necessarily the only subgroups in the survey who share that opinion. They are, however, the groups that hold that opinion most strongly.

A total of 311 registered voters within the Florence-Carlton School District were interviewed between June 23 and June 28, 2003. The margin of error for this survey was +/-5.0 % at a 95% level of confidence.

## PUSH RESULTS

Respondents were then asked a number of questions designed to gauge the positive or negative impact of specific pieces of information. The methodology in this series was used to ascertain which arguments produced the greatest net movement off the "who's ahead" question regarding the proposed \$9 million bond measure.

The reader should keep in mind the "if you knew..." format. Certain arguments may push people "if they knew" but the nature of the argument may make it impossible to convince someone that it is a fact. In addition, the resources required to do the convincing may be too great when compared to other arguments. This series was crosschecked later in the survey by the agree/disagree series. The results are ranked in order of support. The net gain/loss reflects the push or movement off the \$9 million who's ahead question.

Question	Favor	Oppose	Not Sure	Net Gain/Loss
<b>Who's Ahead: \$9 million bond measure</b>	35	53	12	
If you knew bond payments would be structured so that new residents who move into the district in the future will assist in the payment of the proposed measure, would you FAVOR or OPPOSE the proposal?	61	31	8	+26
If you knew with the passage of the bond measure, the State would pay one dollar for every two the district spends on school facilities, would you FAVOR or OPPOSE the proposed bond measure?	54	36	10	+19

Question	Favor	Oppose	Not Sure	Net Gain/Loss
<b>Who's Ahead: \$9 million bond measure</b>	<b>35</b>	<b>53</b>	<b>12</b>	
If you knew Florence-Carlton School District currently has more students per square feet than any other school in the state and the proposed bond measure would help address the district's overcrowding problem, would you FAVOR or OPPOSE the \$9 million bond measure?	51	41	8	+16
If you knew the existing Florence-Carlton High School is currently over capacity and the proposed new 450-student high school would fulfill expected growth projections for the next 20 years, would you FAVOR or OPPOSE the proposed bond measure?	50	43	7	+15
If you knew the proposed bond measure would provide a facility for each school, separating the elementary students from the junior high students and the junior high students from the high school students, would you FAVOR or OPPOSE the bond measure?	47	41	12	+12
Currently, the school district and Florence community is unable to host events for large groups of people. If you knew the proposed new high school would include a 250-seat auditorium that could be used for a lecture hall, school music concerts and plays, as well as a community center, would you FAVOR or OPPOSE the proposal?	45	47	8	+10

Question	Favor	Oppose	Not Sure	Net Gain/Loss
<b>Who's Ahead: \$9 million bond measure</b>	<b>35</b>	<b>53</b>	<b>12</b>	
If you knew the proposed \$9 million bond measure would cost property taxpayers an estimated \$236.61 per year for an owner of a 100,000 home, would you FAVOR or OPPOSE the proposal?	43	50	7	+8
If you knew with the construction of the proposed new high school, the school district would be able to provide a closed-campus for all students except junior or senior honors students, would you FAVOR or OPPOSE the proposal?	41	45	14	+6
If you knew the proposed new high school would include a new gymnasium with locker rooms, would you FAVOR or OPPOSE the proposal?	41	49	10	+6

Key observations to this series were as follows:

- The argument that produced the largest increase (+26%) in support of the proposed \$9 million proposal was knowing bond payments would be structured so that new residents who move into the district in the future will assist in the payment of the proposed measure. Key demographics moving to support the bond measure were males (+29%), voters in 2 out of 4 elections (+28%), 18-34 years old (+38%), 65+ years old (+35%), and precinct 18 (+36%).
- Knowledge that with the passage of the bond measure, the State would pay one dollar for every two the district spends on school facilities, respondents' support for the proposed measure increased substantially (+19%). Key groups responding to this information were voters in no elections (+22%), 18-34 years old (+33%), 65+ years old (+23%), and precinct 18 (+23%).

- Knowing that Florence-Carlton School District currently has more students per square feet than any other school in the state and the proposed bond measure would help address the district's overcrowding problem, pushed respondents to support the \$9 million proposal by a large margin, +16%. Key demographics who moved to favor were males (+19%), 18-34 years old (+33%), 65+ years old (+20%), and precinct 18 (+24%).
- The fact that the existing Florence-Carlton High School is currently over capacity and the proposed new 450-student high school would fulfill expected growth projections for the next 20 years, moved respondents to favor the measure by a considerable margin (+15%). Key demographics who pushed to support the \$9 million measure were respondents with school children (+19%), 18-34 years old (+23%), 65+ years old (+20%), and precinct 18 (+19%).
- The argument that the proposed bond measure would provide a facility for each school, separating the elementary students from the junior high students and the junior high students from the high school students, boosts support for the measure by +12%. Key demographics increasing their support were males (+14%), voters in 2 out of 4 elections (+15%), 18-34 and 65+ years old (+15%), and precinct 18 (+19%).
- Boosting support for the \$9 million bond measure by 10% was knowing that the school district and Florence community is unable to host events for large groups of people and the proposed new high school would include a 250-seat auditorium that could be used for a lecture hall, school music concerts and plays, as well as a community center. Key demographics were males (+15%), respondents with school children (+12%), voters in 2 out of 4 elections (+13%), 18-34 years old (+28%), 65+ years old (+13%), and precinct 17 (+12%).
- Knowledge that the proposed \$9 million bond measure would cost property taxpayers an estimated \$236.61 per year for an owner of a 100,000 home, again pushed respondents to support the measure (+8%). Key demographics responding to the information were respondents with school children (+13%), 18-34 years old (+20%), 35-44 years old (+12%), and precinct 18 (+17%).

# IMPACT FEE ADVISORY COMMITTEE

Ravalli County, MT

Applicant: \_\_\_\_\_ Application Date: \_\_\_\_\_ Reviewer: \_\_\_\_\_

## Impact Fee Study ~ Review Form

Complies with MCA Statute

Yes No N/A Comment # Doc Ref.

All citations are to: 7-6-\_\_\_\_ MCA

<b>7-6-1601</b>						<b>Compliance with "Definitions" -1601</b>
1						"Capital improvements means improvements, land, and equipment with a useful life of 10 years or more that increase or improve the service capacity of a public facility" -1601 (1)(a)
2						"Capital improvements [do] not include consumable supplies". -1601 (1)(b)
						<b>NOTE:</b> 7-6-1601 (2)(3)(4) define "Connection Charge" -1601 (2), "Development" -1601 (3), and "Governmental Entity" -1601 (4)
3						[The impact fee includes] "a fee for the administration of the impact fee." -1601 (5)(a)
4						[Any] "fee for the administration of the impact fee, ...[does] "not ... exceed 5% of the total impact fee collected" -1601 (5)(a)
						<b>[The impact fee] "does not include" -1601 (5)(b)</b>
5						"a charge or fee to pay administrative, plan review, or inspection costs associated with a permit required for development" -1601 (b)(i)
6						"a connection charge ... which includes the actual cost of connecting a property to a public utility system"-1601 (2), -1601 (5)(b)(ii)
7						"any other fee authorized by law, including but not limited to user fees, special improvement districts, fees authorized under Title 7 for county, municipal, and consolidated government sewer and water districts and systems, and costs of ongoing maintenance" -1601 (5)(b)(iii)
8						"onsite or offsite improvements necessary for new development to meet the safety, level of service, and other minimum development standards that have been adopted by the governmental entity." -1601 (5)(b)(iv)
						<b>NOTE:</b> 7-6-1601 (6) defines "Proportionate Share" -1601 (6)
						<b>The impact fee is for one or more of the "Public Facilities" listed below: -1601 (7)</b>
9						"a water supply production, treatment, storage, or distribution facility" -1601 (7)(a)
10						"a wastewater collection, treatment, or disposal facility" -1601 (7)(b)
11						"a transportation facility, including roads, streets, bridges, rights-of-way, traffic signals, and landscaping" -1601 (7)(c)
12						"a storm water collection, retention, detention, treatment, or disposal facility or a flood control facility" -1601 (7)(d)
13						"a police, emergency medical rescue, or fire protection facility" -1601 (7)(e)
14						"other facilities for which documentation is prepared as provided in -1602 that have been approved as part of an impact fee ordinance or resolution" -1601 (7)(f)

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<b>7-6-1602</b>					<b>"Calculation of impact fees – documentation required – ordinance or requirements for impact fees" [the documentation ... ] -1602</b>
15					"describes the existing conditions of the facility" -1602 (1)(a)
16					"establishes the level of service standards" -1602 (1)(b)
17					"forecasts future additional needs for service for a defined period of time" -1602(1)(c)
18					"identifies capital improvements necessary to meet future needs for service" -1602 (1)(d)
19					"identifies those capital improvements needed for continued operation and maintenance of the facility" -1602 (1)(e)
20					"makes a determination as to whether one service area or more than one service area is necessary to establish a correlation between impact fees and benefits" -1602 (1)(f)
21					"makes a determination as to whether one service area for transportation facilities is needed to establish a correlation between impact fees and benefits" -1602 (1)(g)
22					"establishes the methodology and time period over which the governmental entity will assign the proportionate share of capital costs for expansion of the facility to provide service to new development within each service area" -1602 (1)(h)
23					"establishes the methodology that the governmental entity will use to exclude operations and maintenance costs and correction of existing deficiencies from the impact fee" -1602 (1)(i)
24					"establishes the amount of the impact fee that will be imposed for each unit of increased service demand" -1602 (1)(j)
					[the document] <b>"has a component of the budget of the governmental entity that:"</b> -1602 (k)
25					"schedules construction of public facility capital improvements to serve projected growth" -1602 (1)(k)(i)
26					"projects costs for the capital improvements" -1602 (1)(k)(ii)
27					"allocates collected impact fees for construction of the capital improvements" -1602 (1)(k)(iii)
28					"covers at least a 5-year period and is reviewed and updated at least every 2 years" -1602 (1)(k)(iv)
29					"The data sources and methodology supporting adoption and calculation of an impact fee [are] available to the public upon request" -1602 (2)
30					"The amount of each impact fee imposed [is] based on the actual cost of public facility expansion or improvements or reasonable estimates of the cost to be incurred by the governmental entity as a result of new development" -1602 (3)
31					"The calculation of each impact fee [is] in accordance with generally accepted accounting principles" -1602 (3)



Applicant: \_\_\_\_\_ Application Date: \_\_\_\_\_ Reviewer: \_\_\_\_\_

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Yes No N/A Comment # Doc Ref.

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**7-6-1602** Cont'd

32						"The ordinance or resolution adopting the impact fee must include a time schedule for periodically updating the documentation required under 7-6-1602 (1)" -1602 (4)
<b>"An impact fee must meet the following requirements"</b> -1602 (5)						
33						"The amount of the impact fee [is] reasonably related to the development's share of the cost of infrastructure improvements made necessary by the new development" -1602 (5)(a)
34						"The impact fees imposed may not exceed a proportionate share of the costs incurred or to be incurred by the governmental entity in accommodating the development" -1602 (5)(b)
						<b>"the following factors must be considered in determining a proportionate share of public facilities capital improvements costs:"</b> -1602 (5)(b)
35						[are] "the need for public facilities capital improvements required to serve the new development" -1602 (5)(b)(i)
36						"consideration of payments for system improvements [is] reasonably anticipated to be made by or as a result of the development in the form of user fees, debt service payments, taxes, and other available sources of funding the system improvements" -1602 (5)(b)(ii)
37						"Costs for correction of existing deficiencies in a public facility [are] not included in the impact fee" -1602 (5)(c)
38						"New development [is] not held to a higher level of service than existing users unless there is a mechanism in place for the existing users to make improvements to the existing system to match the higher level of service" -1602 (5)(d)
39						"Impact fees [do] not include expenses for operations and maintenance of the facility" -1602 (5)(e)

### NOTES

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Applicant: \_\_\_\_\_ Application Date: \_\_\_\_\_ Reviewer: \_\_\_\_\_

## Impact Fee Study ~ Review Form

Complies with MCA Statute

Yes No N/A Comment # Doc Ref.

All citations are to: 7-6-\_\_\_\_ MCA

### 7-6-1603

40						<p>"The collection and expenditure of impact fees [is] ...reasonably related to the benefits accruing to the development paying the impact fees." -1603 (1)</p>
						<p><b>Note:</b> 7-6-1603 (1) (a), (b) (c) and 7-6-1603 (2) are administrative functions relating to the deposit of funds -1063 (1)(a), imposition of fees -1603 (1)(b) refund mechanism -1603 (1)(c) and timing of the collection of impact fees -1603 (2) as determined by "the ordinance or resolution adopted by the governmental entity" ....</p>
41						<p>[Since] "a governmental entity may recoup costs of excess capacity in existing capital facilities, when excess capacity has been provided in anticipation of the needs of new development, by requiring impact fees for that portion of the facilities constructed for future users" [including existing facilities], ... "the need to recoup costs for excess capacity ... [have] been documented pursuant to 7-6-1602 in a manner that demonstrates the need for the excess capacity" -1603 (3)</p>
42						<p>"The impact fees imposed to recoup the costs to provide the excess capacity ... based on the governmental entity's actual cost of acquiring, constructing, or upgrading the facility and ... [are] no more than a proportionate share of the costs to provide the excess capacity" -1603 (3)</p>
						<p><b>[If] governmental entities ... accept the dedication of land or the construction of public facilities in lieu of payment of impact fees ... " -1603 (4)</b></p>
43						<p>"the need for the dedication or construction is clearly documented pursuant to 7-6-1602" -1603 (4)(a)</p>
44						<p>"the land proposed for dedication for the public facilities to be constructed is determined to be appropriate for the proposed use by the governmental entity" -1603 (4)(b)</p>
45						<p>"formulas or procedures for determining the worth of proposed dedications or constructions are established as part of the impact fee ordinance or resolution" -1603 (4)(c)</p>
46						<p>"a means to establish credits against future impact fee revenue has been created as part of the adopting ordinance or resolution if the dedication of land or construction of public facilities is of worth in excess of the impact fee due from the individual development" ? -1603 (4)(d)</p>
47						<p>"Impact fees [have not been] imposed for remodeling, rehabilitation, or improvements to an existing structure or for rebuilding a damaged structure unless there is an increase in units that increase service demand as described in 7-6-1602 (1)(j)."-1603(5)</p>

Applicant: \_\_\_\_\_ Application Date: \_\_\_\_\_ Reviewer: \_\_\_\_\_

## Impact Fee Study ~ Review Form

Complies with MCA Statute  
Yes No N/A Comment # Doc Ref.

All citations are to: 7-6-\_\_\_\_ MCA

**7-6-1603** Cont'd

48						[If any] "... impact fees ... [are] imposed for remodeling, rehabilitation, or other improvements to an existing structure or use, only the net increase between the old and new demands [are] imposed." -1603 (5)
						<b>"This part does not prevent a governmental entity from granting refunds or credits:"</b> -1603 (6)
49						"... :that it considers appropriate and that are consistent with ... 7-6-1602 ... ." -1603 (6)(a)
50						"in accordance with a voluntary agreement, consistent with the provisions of 7-6-1602 ... between the governmental entity and the individual or entity being assessed the impact fees." -1603 (6)(b)
51						"The impact fee represents a fee for service payable by all users creating an additional demand on the facility." -1603 (7)
52						"An impact fee ordinance or resolution must include a mechanism whereby a person charged an impact fee may appeal the charge if the person believes an error has been made." -1603 (8)

## NOTES

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**CONSOLIDATED REVIEW COMMENTS by the RAVALLI COUNTY IMPACT FEE  
ADVISORY COMMITTEE (January 2008)**

**Reference: REPORT for CORVALLIS SCHOOL DISTRICT No.1 "IMPACT FEES TO  
FUND GROWTH-RELATED CAPITAL IMPROVEMENTS" (dated March 1, 2007)**

**Note:** 1. Numbered comments below are keyed to the Impact Fee Analysis Form (11-14-07 version, attached). The applicable MCA citation for each comment is included in the Analysis Form.  
2. Only numbered comments that appear to require more information are included in this review.

**Nos. 1, 2, 15, 17, 18, 19 and 25** are informational items that would provide required baseline data of the Corvallis School District (CSD) capital facilities. For example, a list of which CSD facilities meet the requirement of a useful life of 10 years or more (Items 1, 2); documentation that forecasts future additional needs for service for a defined period of time (Item 17), as well as the other four items listed here, do not appear to be included in the referenced Impact Fee Report or in the CSD Capital Improvement Plan. However, these items should be provided in supplemental information prepared by the CSD or by its consultant and made a part of the final Report.

**Nos. 3-4.** No mention is made of the 5% (maximum) Administrative Fee permitted by the MCA. If that is already included in the calculation of the impact fee, it should be identified in the Report. If the Impact Fee calculation is amended to include this administrative fee, it could be provided as supplemental information provided by the CSD or its consultant.

**Nos. 2, 5-8, 23, 37-39, 47-48.** These eleven comments refer to costs that, by the MCA, are not to be included in the calculation of the impact fee. The CSD Report is silent as to whether these costs are, or are not, included in the fee calculation, other than by an assumption that they are not. However, the CSD impact fee report as finally adopted by the Board of County Commissioners of Ravalli County is intended to be an enforceable and defensible document. For that reason, it is recommended that the Report be amended to include a statement or statements to the effect that the costs discussed by these eleven numbered comment sections are not included in the calculation of the impact fee, if that is the case. However, if any of these items were included in the calculations, it is recommended that they be deleted and the resulting impact fee calculation adjusted.

**No. 15.** There does not appear to be any description of the existing facilities, except in the broadest of terms. This could include such information as replacement schedules, inventory of buildings and equipment (with useful lives greater than 10 years), acquisition or construction costs and dates, financial review of capital and operating expenditures, cash reserves and financial trend analysis and any other data that would establish a baseline description of the CSD growth-related capital improvements. It is recommended that the supplemental report include this information also.

**No. 41, 42.** This section of the MCA appears to permit partial recovery of the costs associated with the acquisition of the parcel(s) of land on which the current CSD campus is built, or undeveloped land that CSD may own, either of which may also accommodate future expansion. If the CSD intends this cost recovery to be included in the Report, it should be identified and spelled out in the calculation. If land cost recovery is to be excluded from the report, it is recommended that the reason for that decision be included in the supplement. Forward to Daniel Sybrant 1/10/08 by e-mail

References to the MCA herein refer to 7-6-1601, et seq. Montana Code Annotated

## John Meakin

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**From:** "John Lavey" <jlavey@ravallicounty.mt.gov>  
**To:** <jmeakin@bitterroot.com>  
**Sent:** Tuesday, February 12, 2008 12:01 PM  
**Attach:** Corvallis Subs.xls  
**Subject:** Subdivisions in Corvallis

John,

Here is the information you asked for. There are currently 13 subdivisions proposed in the Corvallis school district, comprising 112 lots on 292.84 acres. These subdivisions are currently a 'blank slate' – meaning that no building has (or should have) been done.

Additionally, there are 25 subdivisions in the school district that have been approved by the Commissioners since 2004, comprising 163 lots on 395.2 acres. These are harder to gauge for impacts at this point, because we do not know how many homes, if any, have been constructed on them.

Lastly, and you may already know this, but there are a couple good census and demographic websites that might provide some good information:

Montana Census and Economic Information Center: <http://ceic.mt.gov/index.asp>.

The population estimates section for that website is: <http://ceic.mt.gov/popprojections.asp>.

Larry Swanson's projections: <http://www.bitterrootlandtrust.org/index.php?id=46>

Best,

John Lavey  
Ravalli County Planning Department  
215 South 4th Street, Suite F  
Hamilton, MT 59840  
406.375.6530

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2/12/2008

# PROJECTS

Project Name	School District	No Lots plus Units	Acres	Date of BCC Decision
Brooks Hotel, Lot 6A, AP	Corvallis	7	3.35	
Bitterroot Views II	Corvallis	5	25	
Hamilton Heights, Blk 2, Lots 6 and 7, AP	Corvallis	7	14.34	
Orchard Hills Estates	Corvallis	19	81.57	
Quast Dairy Lots	Corvallis	16	36.35	
Cottonwood Meadows Suddivision	Corvallis	12	25.04	
Bella Sera	Corvallis	3	35.26	
Market Place II	Corvallis	24	8.64	
MVO, Blk 5, Lot 22-A, AP	Corvallis	2	11	9/14/2007
Fin and Feather Addn, Lot 5, AP	Corvallis	2	11.6	4/10/2007
SDO, Blk 1, Lot 5-A, AP	Corvallis	9	15.54	11/2/2006
MVO, Blk 3, Lot 12, AP	Corvallis	4	9.5	11/27/2007
MVO, Blk 8, Tract 22-A, AP	Corvallis	2	15.65	7/10/2007

current 13 Subdiv 112 292.84

Poe ACR	Corvallis	1	10	10/28/2004
SDO, Blk 4, Lot 23-A, AP	Corvallis	2	9.7	6/27/2006
Whispering Willow Estates	Corvallis	18	40.33	12/21/2004
MVO, Blk 5, Lot 21-A, AP	Corvallis	2	12.4	6/16/2005
MVO, Blk 12, Lot B, AP	Corvallis	5	13.41	5/26/2006
First Addn to Auch, Lot 12, AP	Corvallis	2	2.48	1/25/2005
Corvallis Tracts, Blk 1, Lot 17-B-3, AP	Corvallis	20	43.4	1/18/2005
Hamilton Heights, Blk 3, Lot 7-B (AP 547173)	Corvallis	2	13.87	12/20/2005
Hamilton Heights, Blk 17, Lot 2-A, AP (old)	Corvallis	3	4.09	6/20/2006
Hamilton Heights, Blk 17, Lot 2-A, AP (old) Variance	Corvallis	3	4.09	6/20/2006
Ravalli Farm, Blk 3, Lot 6, AP	Corvallis	6	6.49	1/19/2006
Centennial, Lot 17, AP	Corvallis	29	10.1	9/5/2006
Centennial, Lot 14, AP	Corvallis	2	0.94	8/17/2006
Centennial	Corvallis	18	19	10/12/2004
Southeast Division	Corvallis	2	1	10/5/2006
Girard Subdivision	Corvallis	2	4.33	10/26/2004

# PROJECTS

Harrington Acres	Corvallis	3	10.12	10/5/2004
Corvallis Tracts, Blk 4, Lot 4, AP	Corvallis	2	10	10/28/2004
Corvallis Tracts, Blk 4, Lot 7A, AP	Corvallis	2	5.2	5/4/2006
Hamilton Heights, Blk 12, Lot 19-A, AP (1st)	Corvallis	4	14.52	7/22/2004
Emma Johnston Addn, Blk 7, Lot A, AP	Corvallis	3	0.41	5/12/2005
SkySong Farm	Corvallis	9	94.28	3/9/2006
Hamilton Heights, Blk 14, Lots 14 and 15, AP	Corvallis	9	19.5	7/3/2007
MVO, Blk 2, Lot 16-A, AP	Corvallis	11	32.6	7/3/2007
Mill Creek Ranch Estates, Lot 4A, AP	Corvallis	3	12.94	3/23/2004
		163	395.2	

2004-2007 25546 d/r

To: Daniel Sybrant, Superintendent  
Corvallis School District #1  
Corvallis, Montana

From: Chris Cullinan, Principal  
TischlerBise, Inc.

Date: March 10, 2008

Re: Revised Impact Fee Report

Attached is a revised copy of the District's Impact Fee Report which reflects lower student generation rates and impact fee amounts.

In calculating the current number of housing units in the District, I used residential septic permit data from Ravalli County. It has recently been brought to my attention that there are areas of the District served by the Corvallis Sewer District which do not require septic permits from the County. This resulted in the omission of housing units constructed in the Sewer District. These units have been added to the total number of housing units in the District which has the effect of lowering the student generation rate as the same number of students are applied against a larger number of houses. The change in rates is shown below:



**PREVIOUS IMPACT FEE REPORT**

	<i>Fall Enrollment SY06-07</i>	<i>Current # Housing Units</i>	<i>Public School Students per Housing Unit</i>
Elementary	448	3,066	0.15
Middle	436	3,066	0.14
High	496	3,066	0.16
TOTAL	1,380	3,066	0.45

**REVISED IMPACT FEE REPORT**

	<i>Fall Enrollment SY06-07</i>	<i>Current # Housing Units</i>	<i>Public School Students per Housing Unit</i>
Elementary	448	3,268	0.14
Middle	436	3,268	0.13
High	496	3,268	0.15
TOTAL	1,380	3,268	0.42

**CHANGE**

	<i>Public School Students per Housing Unit</i>	<i>%</i>
Elementary	-0.01	-6%
Middle	-0.01	-6%
High	-0.01	-6%
TOTAL	-0.01	-6%

**This effect of lowering the pupil generation rates and thus lowering the impact fee amounts. I have recalculated the impact fee amounts and amended the District's Impact Fee Report to reflect the revised amounts.** The change in impact fee amounts between the previous report and revised report are shown below:

Previous Impact Fee per Housing Unit	\$7,260
Revised Impact Fee per Housing Unit	\$6,822
\$ Change	-\$438
% Change	-6%

I was unaware of the Corvallis Sewer District and my review of the County septic permit data did not reveal that there were any glaring omissions in the data. Please accept my apologies for this omission and any confusion it may have caused.

Please let me know if you have any additional questions or comments.

To: Daniel Sybrant, Superintendent  
Corvallis School District #1  
Corvallis, Montana

From: Chris Cullinan, Principal  
TischlerBise, Inc.

Date: March 10, 2008

Re: Follow Up Questions

The purpose of this memorandum is to respond to the questions and issues raised in the letters from Messrs. Horat and Curtiss regarding the impact fee study conducted for the School District.

Mr. Horat's letter states following:

*"...additional new students are projected at a rate of 49 students per year. For 2007/2008 their projection for total district enrollment was 1,429 when actual numbers are at 1,375. Based upon enrollments from 2000 to 2006, it appears that actual enrollment increase 13 student per year.*

*It is my understanding that the maximum allowable impact fee is based on new student requirements. Since the actual number of new students is not matching the projected, it would appear that the maximum proposed impact fees should be reduced.*

*If impact fees are to be proposed, they should be based on more probable demand."*

The impact fee study was completed in SY06-07 using the actual enrollment figures at that time. Per the Montana Impact Fee Act (MCA 7-6-1602), the levels-of-service (LOS) standards are based on the actual number of students in existing facilities at that time. Under this methodology, the enrollment projections **are not** used in calculating the amount of the impact fee. This methodology ensures that new development is not being held to a higher standard than what the District is currently providing.

The projections are provided solely for planning purposes to give an understanding of possible impact fee revenues and associated capital costs for additional capacity. It is important to note that revenues from impact fees and capital costs for capacity move in unison. If development occurs at a more rapid pace than forecast, impact fee revenues are higher but the need for additional school capacity is greater as well. Likewise, if there is no additional development, no impact fees are collected but there is no need for additional school capacity to serve new development.

However, these fluctuations have no influence on the actual number of square feet per student or the cost per square foot used as the basis of the fees.

Mr. Curtiss' letter addresses two concerns:

1. Calculation of pupil generation rate.
2. Number of housing units in the Corvallis School District.

In his letter, Mr. Curtiss calculates a pupil generation rate using the number of new housing units and number of new students entering the District for the period of 2001-2005.

*"Figure 5 on page 6 of the study shows that there were 544 septic permits issued within the District in the five years from 2001 through 2005. Figure 6 on page 6 shows enrollment in Corvallis Schools growing by 94 students in the same time period versus enrollment in the year 2000. Going solely by these numbers one would calculate a new home/enrollment factor of 0.17, not the 0.45 number posited by TischlerBise."*

The pupil generation rate is based on the entire number of housing units in the District and the entire number of pupils. TischlerBise's experience in calculating school impact fees across the Country is that the pupil generation rates for new housing are often different than the rates for the entire housing stock. This fact raises two potential concerns, one legal and one practical:

- Per MCA 7-6-1602(5)(e), "new development may not be held to a higher level-of-service than existing users unless there is a mechanism in place to make improvements to the existing system to match the higher level of service". The approach used by TischlerBise ensures this new development is not being assessed a higher level-of-service than is currently being provided to existing development.
- From a planning perspective, using just the figures from new development over a five year period is not a sound basis for planning capital facilities which have a useful life of twenty years or more. Over time, the pupil generation rates from new development become more similar to those of the entire stock of housing, thus the rates using the entire housing stock are more appropriate.

The District must plan and size its infrastructure for all potential users. The methodology used by TischlerBise ensures the District is able to achieve this without assessing new development more than its proportionate share of the demand created for additional school capacity.

The second concern raised by Mr. Curtiss is the number of new houses in the District:

*"However, the above figures do not include new homes in the district which do not require a septic system; those on Corvallis Sewer..."*

<i>Septic Permits issued within the District from 2001 through 2007</i>	<i>730</i>
<i>Residential sewer hookups in Corvallis Sewer District 2001 through 2007</i>	<i>184</i>
<i>Approximate Total new residential units in District</i>	<i>914</i>

Mr. Curtiss is correct that there are additional housing units served by the Corvallis Sewer District which should be included in calculating the student generation rates. I contacted Mr. Roger DeHaan, the engineer for the Sewer District for additional information on the number of new

residential sewer hookups between 2000 and 2005 (the time when the impact fee study was conducted). These units have been added to the total number of housing units in the District.

**This has the effect of lowering the pupil generation rates and thus lowering the impact fee amounts. I have recalculated the impact fee amounts and amended the District's Impact Fee Report to reflect the revised amounts.** I was unaware of the Corvallis Sewer District and my review of the County septic permit data did not reveal that there were any glaring gaps in the data. Please accept my apologies for this omission and any confusion it may have caused.

**From:** "Daniel Sybrant" <daniels@corvallis.k12.mt.us>  
**To:** "John C Horat" <john@brengineer.myrf.net>; <curtissfamily@cybernet1.com>  
**Cc:** "John Meakin" <jmeakin@bitterroot.com>  
**Sent:** Monday, March 10, 2008 12:56 PM  
**Attach:** 3-10-08 Response to Questions.doc; 3-10-08 Cover Memo for Revised Impact Fee Report.doc; Impact Fee Report - FINAL.doc  
**Subject:** FW: Revised Impact Fee Report and related documents  
John and Kent

These are responses from Tischler Bise regarding the letters you submitted to the Corvallis School Board in February. Impact Fees will be discussed again at tomorrow night's school board meeting which begins at 7:30 p.m. in the HS library. I'm not sure when this agenda item will be gotten to as there are several other items on the agenda.

Feel free to attend.

Daniel

-----Original Message-----

**From:** Daniel Sybrant  
**Sent:** Monday, March 10, 2008 12:53 PM  
**To:** School Board Members; Trevor Laboski; Jason Wirt; Rich Durgin; Eric Larson; Ginny Haines; Janice Stranahan; Russ Hendrickson; Wendy Ihde; Larry Bays; Kathy Martin; Vannesa Bargfrede; Lyndi Henson; Lynda Corn  
**Subject:** FW: Revised Impact Fee Report and related documents

Colleagues

Please put this in your board packet under the Impact Fee agenda item to be discussed tomorrow night

Thanks

Daniel

**From:** Chris Cullinan, TischlerBise [mailto:chris@tischlerbise.com]  
**Sent:** Monday, March 10, 2008 9:38 AM  
**To:** 'daniels@corvallis.k12.mt.us'  
**Subject:** Revised Impact Fee Report and related documents

Hi Daniel

In responding to Mr. Curtiss' questions regarding the impact fee study, I learned that there are housing units served by the Corvallis Sewer District which were omitted in calculating the student generation rates. I have revised the impact fee report to reflect these additional housing units which has the primary effect of lowering the student generation rate and thus lowers the amount of the impact fee.

Attached are several documents which discuss these changes and the questions raised by Messrs Horat and Curtiss:

- Revised impact fee report.
- Cover memo explaining and summarizing the changes between the previous report and revised report.
- Response to the questions raised by Messrs Horat and Curtiss.

Please let me know if you have any question or comments or need additional information. I will be in the office all week at the number below. Given the 2 hour time difference, I will also give you my cell number

6/9/2009

(301.436.2033).

Thanks

Chris Cullinan,  
Principal

~~TischlerBise~~

Fiscal, Economic, and Planning Consultants  
800.424.4318 ex. 13  
www.tischlerbise.com

No virus found in this incoming message.

Checked by AVG.

Version: 7.5.518 / Virus Database: 269.21.7/1322 - Release Date: 3/9/2008 12:17 PM

6/9/2009

February 7, 2008

Daniel Sylbrant  
Corvallis School Board  
Corvallis, ME 59828

Subject: Proposed School Impact Fees for Corvallis

Dear School Board Members,

This letter is in regard to some initial observations in the Fischer Report dated March 7, 2007.

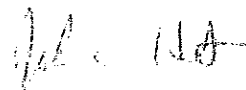
Please note that on page 7 of the Fischer Report, additional new students are projected at a rate of 49 students per year. For 2007/2008, their projection for total district enrollment was 1429 when actual numbers are at 1375. Based upon enrollment from 2000 to 2006, it appears that actual enrollment increased 13 students per year.

It is my understanding that the maximum allowable impact fee is based on new student requirements. Since the actual number of new students is not matching the projected, it would appear that the maximum proposed impact fee should be reduced.

If impact fees are to be proposed, they should be based on a more probable demand. I am hopeful that you take this into consideration while recommending an impact fee to the Commissioners.

Thanks for your consideration in this matter.

Sincerely,



John Hout  
327 Brothers Way  
Corvallis, ME 59828

# Corvallis School District #1

P. O. Box 700 / 1045 Main  
Corvallis MT 59628

Phone: (406) 961-4211

Fax: (406) 961-6144

David B. Johnson  
Superintendent  
961 4211

David L. Smith  
Principal  
High School  
961 4211

David West  
Acting Principal  
High School  
961 4211

Edna George  
Principal  
Middle School  
961 4211

Edna George  
Acting Principal  
Middle School  
961 4211

Lucas Stronach  
Principal  
Primary School  
961 4211

Edna George  
Special Services  
961 4211

Edna George  
Acting Principal  
961 4211

Edna George  
Acting Principal  
961 4211

Edna George  
Acting Principal  
961 4211

February 27<sup>th</sup>, 2008

Paul Tischler and Carson Bise  
VIA FACSIMILE  
1 818 790 6235


Dear Gentleman

The Corvallis School Board is considering recommending amounts for impact fees. The Ravalli County Impact Advisory board presented to the school board in February. At that meeting, two developers questioned your study completed in March of 2007. I have enclosed two letters that were submitted. Our board will be taking this issue up again on March 11th.

I am asking you to respond to the validity of the issues raised in the enclosed letters. I know there are several parts to the study that affect the maximum fee besides student enrollment. An explanation of the impact the projections vs current enrollment really has on the methodology would really help. Also, if the differential between current enrollment and projections actually change the maximum fee, that is important to know as well.

I look forward to your quick response. Please email me at your earliest convenience to [daniel@corvallis.k12.mt.us](mailto:daniel@corvallis.k12.mt.us).

Sincerely,

  
Daniel B. Sybilant  
Superintendent  
Corvallis School District

cc Corvallis Board of Trustees  
John Meakin - Ravalli County Impact Fee Advisory Committee



**CORVALLIS SCHOOL DISTRICT #1 - IMPACT FEE STUDY**

**Figure 7: Summary Public School Students by Grade Level per Housing Unit**

	Fall Enrollment \$Yr0-01	Current # Housing Units	Public School Students per Housing Unit
Elementary	446	3,066	0.15
Middle	436	3,066	0.14
High	496	3,066	0.16
<b>TOTAL</b>	<b>1,378</b>	<b>3,066</b>	<b>0.15</b>

To project the number of public school students over the next six years, TheBentley applied these generation rates to the projected number of housing units. Over the next six years, enrollment in the District from new housing is projected to increase by a total of 49 students per year (16 elementary students, 15 middle school students, 16 high school students).

**Figure 8: Estimated and Projected Public School Students 2000-2012**

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Fall Enrollment</b>													
Elementary	421	424	427	430	433	436	439	442	445	448	451	454	457
Middle	420	422	424	426	428	430	432	434	436	438	440	442	444
High	462	468	473	478	483	488	493	498	503	508	513	518	523
<b>Total Enrollment</b>	<b>1,303</b>	<b>1,314</b>	<b>1,324</b>	<b>1,334</b>	<b>1,344</b>	<b>1,354</b>	<b>1,364</b>	<b>1,374</b>	<b>1,384</b>	<b>1,393</b>	<b>1,404</b>	<b>1,415</b>	<b>1,427</b>
<b>Housing Units</b>	<b>2,473</b>	<b>2,522</b>	<b>2,571</b>	<b>2,620</b>	<b>2,669</b>	<b>2,718</b>	<b>2,767</b>	<b>2,816</b>	<b>2,865</b>	<b>2,914</b>	<b>2,963</b>	<b>3,012</b>	<b>3,061</b>
<b>Students/Housing Unit</b>													
Elementary	0.17	0.17	0.17	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16	0.16
Middle	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
High	0.19	0.19	0.19	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
<b>Total Students/Housing Unit</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>
<b>Annual Increase in Housing Units</b>		50	50	50	50	50	50	50	50	50	50	50	50
<b>St. Break</b>													
Elementary	16	16	16	16	16	16	16	16	16	16	16	16	16
Middle	15	15	15	15	15	15	15	15	15	15	15	15	15
High	16	16	16	16	16	16	16	16	16	16	16	16	16
<b>Total</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>

2000-2001 = 2,473 units / 1,303 students  
 2001-2002 = 2,522 units / 1,314 students

TransferDoc

Kent Curtiss  
Kent Curtiss Construction, Inc.  
843 Peppergrass Lane  
Corvallis, MT 59828

February 25, 2008

Corvallis School Board  
PO Box 700  
Corvallis, MT 59828

Dear School Board Members,

Thank you for giving me the opportunity to speak briefly at your February 12, 2008 school board meeting about the impact fees you are currently considering imposing on new construction within the district. As I mentioned the other evening, I am not necessarily opposed to the notion of Impact Fees, but I think we could all agree that they should be fairly assessed.

To recap; simply dividing the number of students enrolled in the Corvallis School District by the number of homes in the district produces a very inflated and flawed number. The TischlerBise study asserts that each new home should increase enrollment by 0.45 students but that conclusion is not supported by any of the other data included in their research.

TischlerBise include tables showing current growth patterns as reflected by Septic Permits and school enrollment that completely discredit the 0.45 students per new home calculation.

Figure 5 on page 6 of the study shows that there were 544 septic permits issued within the district in the five years from 2001 through 2005. Figure 6 on page 6 shows enrollment in Corvallis Schools growing by 94 students in the same time period versus enrollment in the year 2000. Going solely by these numbers one would calculate a new home/enrollment factor of 0.17, not the 0.45 number posited by TischlerBise.

However, the above figures do not include new homes in the district which do not require a septic system; those on Corvallis Sewer

In the interest of finding a more accurate calculation to determine how great the impact of new housing is on local school enrollment I did some research bring the numbers up to date through 2007. They are as follows. .

Septic Permits issued within the district from 2001 through 2007	736
<u>Residential sewer hookups in Corvallis Sewer District 2001 through 2007</u>	<u>184</u>
Approximate Total new residential units in District	920

Growth in Corvallis District enrollment 2000 to 2007 (1,903 to 1,976) 73 students

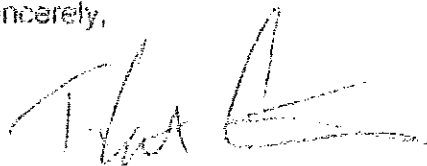
According to these figures (73 students divided by 920 Homes) each new home is generating approximately 0.08 new students

According to the financial-impact-per-new student figure cited by TischlerBise in their study, an average of approximately \$16,135 per student, the appropriate maximum amount per new home should be about \$1,291.

Having said everything above, I find it very disturbing that the process has gone this far without anyone analyzing the numbers more closely. TischlerBise has provided an obviously inflated projection of school enrollment that is simply not born out by a closer look at the data. Their assumption of an average annual increase in enrollment is ludicrous if one only takes a moment to look at the trend over the years. Further, the Impact Fee Advisory Committee has served as cheerleader to push this process along by advising the school district to request the study's "maximum" dollar amount (\$7,260 per home) Am I supposed to believe that no one on the committee has the critical thinking skills to see that there is no basis for such a large amount?

In closing, I would like to say that I have nothing but the utmost respect and admiration for the School Board and Administration of the Corvallis District. I believe that you have been encouraged to make a decision based on seriously skewed assumptions. Should the School District decide to impose an impact fee, it is my sincere hope that it would be one that more closely reflects the reality of the new construction versus enrollment equation.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kent Curtiss', with a stylized, sweeping flourish extending from the end of the name.

Kent Curtiss

Cc: Daniel Sybrant, Corvallis School Superintendent  
Greg Chilcott, Ravalli County Commissioner  
Kathleen Driscoll, Ravalli County Commissioner  
Carlotta Grandstaff, Ravalli County Commissioner  
James Hikosch, Ravalli County Commissioner  
Alan Thompson, Ravalli County Commissioner

# Corvallis School District #1

P. O. Box 700 / 1045 Main

Corvallis MT 59828

Phone: (406) 961-4211

Fax: (406) 961-5144

Daniel B. Sybrant  
Superintendent  
961-4211

Travis Leback  
Principal  
High School  
961-3201

Jason Wirt  
Asst. Principal  
High School  
961-3201

Rich Gargan  
Principal  
Middle School  
961-3007

Eric Linton  
Asst. Principal  
Middle School  
961-3007

Janice Strassman  
Principal  
Primary School  
961-3261

Virginia Halvor  
Special Services Dir.  
961-3201

Miss Handelman  
Counselor  
961-3261

Wendy Aida  
Counselor  
961-3271

Vanessa Burghardt  
Principal Manager  
District Office  
961-4211

March 17, 2008

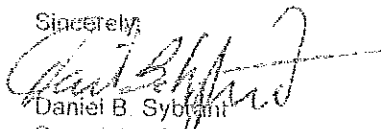
Ravalli County Commissioners  
215 S 4<sup>th</sup> Street Suite A  
Hamilton MT 59840

Dear Sirs:

On March 11, 2008 the Corvallis School Board formally made a recommendation to you that you consider an Impact Fee for the Corvallis School District in the amount of \$6622.00. This amount is based on the enclosed revised impact fee study completed by TischlerBise.

If you have any questions, don't hesitate to contact me at 961-4211.

Sincerely,

  
Daniel B. Sybrant  
Superintendent  
Corvallis School District

Cc Corvallis School Board  
Ravalli County Impact Fee Advisory Committee – Attention John Meakin

To: John Meakin, Chair  
Ravalli County Impact Fee Advisory Committee

Cc: Daniel Sybrant, Superintendent  
Corvallis School District #1  
Corvallis, Montana

From: Chris Cullinan, Principal  
TischlerBise, Inc.

Date: March 18, 2008

Re: Follow Up Questions

The purpose of this memorandum is to respond to the questions and issues raised by the Ravalli County Impact Fee Advisory Committee. The comments below generally follow the numbered comments in the Committee's Consolidated Review Comments memorandum.

**Nos. 1, 2, 15, 17, 18, 19, and 25**

Nos. 1 and 2: The impact fee report includes only school buildings which have a useful life of 10 years or more. In the course of preparing the impact fees, TischlerBise evaluated the Districts facilities and assets for compliance with these requirements and omitted those assets which did not have a useful life of 10 years or more and/or included consumable supplies. Most notably, school buses and other support vehicles were omitted from the fee calculations for these reasons.

Nos. 15 and 17: Taken together, these portions of the enabling legislation are critical to ensuring that new development is not held to a higher level of service (LOS) than existing users. In the parlance of impact fees, LOS is defined as units of infrastructure per demand unit. In the case of schools, LOS is square feet of building per student. The impact fee report clearly defines the current LOS being provided by the existing facilities to existing development.

Nos. 18, 19, and 25: Figure 24 of the impact fee report addresses these comments. This figure projects the number of square feet of facilities that will be needed to serve new development over the next five years based on the current LOS and development projections. It is important to note two factors:

1. The projected amount of facilities and development projections move in unison. If development occurs at a more rapid pace than forecast, the number of students is higher but the need for additional school facilities is greater as well. Likewise, if there is no additional development, there are no additional students but there is no need for additional school capacity to serve new development. However, these fluctuations have no influence on the actual number of square feet per student used as the basis of the fees.

2. Figure 24 is not the District's Capital Improvement Plan (CIP). Previously, the District's CIP has been fiscally constrained and did not represent the full cost of maintaining the current LOS for new development. The District's CIP also listed items which do not qualify for impact fees per the enabling legislation (existing deficiencies, existing facilities, items with useful lives of less than 10 years, etc.). It is for these reasons that the impact fees cannot be calculated by simply taking the District's CIP and dividing by the projected number of students. Depending on if and how much of the impact fees are adopted, the District will have to include these infrastructure demands, costs, and impact fee revenues in its future CIP's.

#### Nos. 3 -4

The Administrative Fee is not included in the impact fee calculations. The District will set this amount based on its cost estimates to administer the impact fee program.

#### Nos. 2, 5-8, 23, 37-39, 47-48

Nos. 2, 5-8, 23, 47-48: These costs are not included in the impact fee report per the enabling legislation. The basis of the costs is listed in Figure 11 of the report.

Nos. 37-39: The calculations establishing the current LOS standards ensure compliance with these provisions of the enabling legislation.

#### No. 15

As discussed earlier, this portion of the enabling legislation is critical to ensuring that new development is not held to a higher level of service (LOS) than existing users. It is important to note that this portion of the legislation should not be interpreted as requiring the current replacement cost or insurance value of existing facilities be used in calculating the impact fee. The District will be providing new square footage to new development and basing the fees on existing facilities which are many years old is not appropriate. The costs listed in the impact fee study are intended to provide comparable facilities in today's dollars.

#### No. 41 and 42

The District did not express a desire to recoup these costs. The enabling legislation requires that impact fees calculated using the methodology are based on "the governmental entity's actual cost to acquiring, constructing, or upgrading the facility". If the District acquired the land via donation or reduced cost, it is likely this methodology would not generate significant revenues to the District.

Please let me know if you have any questions or comments.

## CORVALLIS IMPACT FEE STUDY

Comparison of the Committee's Review Comments (and request for supplemental information) dated January, 2008  
With TischlerBise's letter response by (Chris Cullinan) dated March 18, 2008

### QUESTION

Request: A list of CSD facilities, not including consumables, that meet the 10 year requirement (Review Comments Nos.1 and 2, from MCA 7-6-1601 (1) (a), (b))

### RESPONSE

Nos. 1 and 2: The impact fee report includes only school buildings which have a useful life of 10 years or more. In the course of preparing the impact fees, TischlerBise evaluated the District's facilities and omitted those assets which did not have a useful life of 10 years or more and/or included consumable supplies. Most notably, school buses and other support vehicles were omitted from the fee calculations for these reasons.

Nos. 15 and 17: Taken together, these portions of the enabling legislation are critical to ensuring that new development is not held to a higher level of service (LOS) than existing users. In the parnance of impact fees, LOS is defined as units of infrastructure per demand unit. In the case of schools, LOS is square feet of building per student. The impact fee report clearly defines the current LOS being provided by the existing facilities to existing development.

Request: Approved documentation that describes the existing conditions of the facilities (No. 15) and future service needs for a reasonable period of time (No. 17). -MCA 1602 (1) (a) and (c).

**Additional request for info on No. 15:** There does not appear to be any description of the existing facilities, except in the broadest of terms. This could include such information as replacement schedules, inventory of buildings and equipment (with useful lives greater than 10 years), acquisition or construction costs and dates, financial review of capital and operating expenditures, cash reserves and financial trend analysis and any other data that would establish a baseline description of the CSD growth-related capital improvements. It is recommended that the supplemental report include this information also.

**Request:** Approved documentation that identifies those capital improvements that will (1) meet future needs for service and (2) provide for continued operation and maintenance of the facility. (Review comments Nos. 18 and 19, respectively. MCA --1602 (1) (d) and (e).

No. 15 As discussed earlier, this portion of the enabling legislation is critical to ensuring that new development is not held to a higher level of service (LOS) than existing users. It is important to note that this portion of the legislation should not be interpreted as requiring the current replacement cost or insurance value of existing facilities be used in calculating the impact fee. The District will be providing new square footage to new development and basing the fees on existing facilities which are many years old is not appropriate. The costs listed in the impact fee study are intended to provide comparable facilities in today's dollars.

Nos. 18 and 19. Figure 24 of the impact fee report addresses these comments. This figure projects the number of square feet of facilities that will be needed to serve new development over the next five years based on the current LOS and development projections. It is important to note two factors:

1. The projected amount of facilities and development projections move in unison. If development occurs at a more rapid pace than forecast, the number of students is higher, but the need for additional school facilities is greater as well. Likewise, if there is no additional



development, there are no additional students, but there is no need for additional school capacity to serve new development. However, these fluctuations have no influence on the actual number of square feet per student used as the basis of the fees.

2. Figure 24 is not the District's Capital Improvement Plan (CIP). Previously, the District's CIP has been [was?] fiscally constrained and did not represent the full cost of maintaining the current LOS for new development. The District's CIP also listed items which do not qualify for impact fees per the enabling legislation (existing deficiencies, existing facilities, items with useful lives of less than 10 years, etc.). It is for these reasons that the impact fees cannot be calculated by simply taking the District's CIP and dividing by the projected number of students. Depending on if and how much of the impact fees are adopted, the District will have to include these infrastructure demands, costs, and impact fee revenues in its future CIP's.

# Corvallis School District #1

P.O. Box 700 / 1045 Main

Corvallis, MT 59828

Phone: (406) 961-4211 Fax: (406) 961-5144

Daniel B. Sybrant  
Superintendent  
961-4211

Trevor Laboski  
Principal  
High School  
961-3201

Jason Wirt  
Assistant Principal  
High School  
961-3201

Rich Durgin  
Principal  
Middle School  
961-3007

Eric Larson  
Assistant Principal  
Middle School  
961-3007

Janice Stranahan  
Principal  
Primary School  
961-3261

Virginia Haines  
Special Services  
Director  
961-3201

Russ Hendrickson  
Technology Director  
961-3201

Wendy Ihde  
Curriculum Director  
961-8772

Vannesa Bargfrede  
Business Manager  
District Clerk  
961-4211

May 21, 2008

John Meakin  
Chairman Ravalli County Impact Fee Advisory Committee  
215 South 4<sup>th</sup> St  
Hamilton Montana  
59840

Dear Mr. Meakin and Advisory Committee Members:

On May 20<sup>th</sup>, you met with me regarding questions the committee had in regards to the Corvallis School District Impact Fee study. You requested additional information that is required by Montana Law regarding Impact Fees. The following is supplemental information that hopefully will answer your questions;

**Request #1:** Approved documentation that describes the existing conditions of the facilities and future service needs for a reasonable period of time.

**Response:** I have attached a summary that includes a history, a chronology, and a physical description of the district and facilities. This document is labeled Exhibit 1 I have also attached a recent review of our facilities that includes a summary of current conditions. This document is labeled Exhibit 2

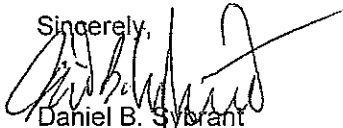
**Request #2:** Approved documentation that identifies those capital improvements that will (1) meet future needs for service and (2) provide for continued operation and maintenance of the facility.

(1) The Corvallis School District has been planning for growth for many years. Attached are documents that outline our early planning regarding facility deficiencies and proposed ideas for expansion to meet the future needs for service. This document is labeled Exhibit 3. Subsequently, we have updated ideas for expansion to meet future needs for service. This document is labeled Exhibit 4.

(2) In regard to this item, you asked that we provide documentation that identifies those capital improvements that will provide for continued operation and maintenance of the facility. Currently, we do not have any concrete plans to build additional facilities to house operations and maintenance. Items such as a bus barn, fenced areas for buses, repair shops etc have been discussed, but specific plans are not in place to accommodate these ideas.

I hope I have answered questions from the committee. If you have any further questions, don't hesitate to contact me at 961-4211.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel B. Sybrant', with a long horizontal stroke extending to the right.

Daniel B. Sybrant  
Superintendent  
Corvallis School District

Cc Corvallis School District Board of Trustees

February 18, 2009

Ravalli County Commissioners  
215 S 4<sup>th</sup> Street Suite A  
Hamilton MT 59840

February 18, 2009

Dear Commissioners:

On February 17, 2009, the Corvallis School Board passed a motion requesting that Ravalli County institute a \$4,000 school impact fee for the Corvallis School District, with the full amount to initially be phased in over 5 years. Enclosed is the Impact Fee Study prepared by TischlerBise, which documents and quantifies the impact of new residential construction on the capital needs of the Corvallis School District. If you have any questions, don't hesitate to contact me at 961-4211.

Sincerely

Daniel B. Sybrant  
Superintendent  
Corvallis School District

Cc Corvallis School Board  
Ravalli County Impact Fee Advisory Committee – Attention John Meakin

## **IMPACT FEES AND THE CORVALLIS SCHOOL DISTRICT**

In 2007, the Ravalli County Board of County Commissioners, as authorized by state law (7-6-1601, MCA), created the Impact Fee Advisory Committee. In 2008, the Commissioners adopted Ordinance 17 for Ravalli County. This Ordinance approved the concept of impact fees for Ravalli County and created the process by which the County could impose impact fees on behalf of county service districts such as the Corvallis School District.

During this same period, the Corvallis School District took steps authorized by state law to complete an impact fee study. Faced with increased enrollment since 1990 and projections for continued growth, the Corvallis School District retained the consulting firm of TischlerBise to conduct the impact fee study. This nationally recognized firm has conducted more than 600 such studies in some 30 states.

Completed in March 2007 and amended in March 2008, the consultant's study recommended a maximum impact fee of \$6,822 on each new housing unit built within the school district<sup>1</sup>. The consultant used the following four-part formula to arrive at that amount: multiplying (1) the square feet of Corvallis school facility per student, times (2) the cost per square foot to construct a school facility, subtracting (3) credit for existing bonded funding, times (4) the average number of school students per housing unit. The maximum impact fee that TischlerBise recommended was based on data available as of school year 2006-2007.

In February 2009, by majority vote of the Board of Trustees, the Corvallis School District proposed that the County Commissioners impose an impact fee of \$4,000 per housing unit, with the fee to be phased in over five years. After tonight's meeting, the Impact Fee Advisory Committee will consider the entire proposal, including state law, the consultants' study, the Corvallis School District's proposal and tonight's public comments and will make its recommendations to the Board of County Commissioners for their consideration and possible decision at a future public hearing.

If an impact fee for Corvallis School District is approved by the Commissioners, any impact fees collected must be placed in a separate interest bearing account. These funds can only be used by the Corvallis School District for qualified capital improvements, defined by state law, that are required by demands created by new residents for additional school services.

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<sup>1</sup> As this fee is proposed to be adopted by Ravalli County, impact fees could not be collected on new housing units built within the City of Pinesdale.

## **MONTANA IMPACT FEE LAW**

By Montana state law, an impact fee, if adopted by county or city government, is a one-time payment imposed on each new residential dwelling unit for the purpose of constructing growth related infrastructure (7-6-1601, MCA). Thus, the impact on a service district, shown to be caused by new residents, would be mitigated by the people that create that impact. Impact fees are used in many high growth states<sup>1</sup> so that existing taxpayers do not have to pay for the entire cost of new services required by new growth. Impact fees have been uniformly upheld by state and federal courts. The U.S. Supreme Court<sup>2</sup> has ruled that such fees must demonstrate an “essential nexus” and be “roughly proportional” to the burden created by the new development.

Impact fees in Montana were authorized by the state legislature in 2005. The bill that became law, Senate Bill 185, was co-sponsored by Senator Rick Liable (R-Darby) and approved by the development community and government officials<sup>3</sup>. It established strict and specific requirements for all proposed impact fees, restricting impact fees to capital improvements with a useful life of ten years or more. Collected impact fees can only be applied to that part of the cost of new construction caused by new growth.

In Ravalli County, if an impact fee is imposed, the builder of each new housing unit would pay the fee when they apply for a septic permit or for connection to a sewer district. That fee would then become part of the total cost of a new residence, like other construction costs and fees. Collected impact fees must be placed in a separate interest bearing account. Thereafter, these funds can only be used for construction of qualified capital improvements in the service district proposing the impact fee (such as the Corvallis School District).

Note that impact fees cannot be used for any operating expenses (such as salaries or consumables), maintenance or repairs.

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<sup>1</sup> “National Impact Fee Survey: 2008”. Duncan and Associates, Austin, TX. See survey at: [Impactfees.com](http://Impactfees.com).

<sup>2</sup> Nollan v. California Coastal Commission 483 U.S. 825 (1987); Dolan v. City of Tigard 512 U.S. 374 (1994).

<sup>3</sup> Bozeman Chronicle, April 29, 2005.